

Last week the national media called the president's bluff on the most controversial portion of his plan to avoid the so-called fiscal cliff. After weeks of repeating White House talking points that a solution to the crisis must include tax rate hikes on top earners, ABC News and The New York Times stumbled upon an inconvenient fact for the White House. The president is really at odds with himself, not Capitol Hill.

For a month now Americans have been told by their president that the only thing standing in the way of our nation's financial solvency is Congress. More specifically, the Republican House of Representatives has stubbornly refused to green light Mr. Obama's plan to make the wealthy pay "their fair share". At issue is President Obama's insistence that raising the tax rate for those earning over \$250,000 is the only way to raise enough money to avoid the country going over the fiscal cliff in January.

While House Republicans support keeping the current tax rates in place to protect fragile small business job growth (many small businesses file their taxes as individual earners,) Speaker John Boehner counter-offered to work with the president to close tax loopholes and reform the tax code instead. The White House balked at the House offer, blaming the arithmetic. In dismissing the idea, President Obama said, "Unfortunately, the Speaker's proposal right now is out of balance. You know, he talks, for example, about \$800 billion worth of revenues, but he says he's going to do that by lowering rates. And when you look at the math, it doesn't work."

First, the House proposal would keep current tax rates, not lower them as the president knows well. But let's look at what The New York Times dug up last Wednesday. "When Mr. Obama was engaged in ultimately unsuccessful negotiations with Mr. Boehner on a debt-reduction deal in the summer of 2011, he recounted his pitch to Republicans for reporters: 'What we said was, give us \$1.2 trillion in additional revenues, which could be accomplished without hiking taxes – tax rates – but could simply be accomplished by eliminating some deductions and engaging in a tax reform process that could have lowered rates generally while broadening the base.'" ABC News also reported last week, "Republicans have offered to raise taxes on higher incomes by \$800 billion, not by raising tax rates but by eliminating some deductions and loopholes. During last year's budget showdown the president said he would do exactly that."

So what is really driving the president's stand-off with the House? It appears to be a raw power grab. Even if you take seriously the president's latest demand that tax rates must go up for those earning over \$250,000, his numbers don't add up. The amount of money raised would total roughly \$85 billion per year – not enough to run the government for more than a couple of

weeks. What the president is really after is the ability to spend at will without the consent of Congress. In addition to demanding a tax increase, the president also told Congress he wants more stimulus spending and essentially automatic increases in the federal debt limit to allow future increases in borrowing authority without Congressional approval. Worse, the president and his colleagues in the Senate have flatly rejected any House effort to address the true drivers of our debt – mandatory spending programs.

On November 6, Mr. Obama was reelected president, not monarch. Under the constitution, he has to work with Congress. The American people gave no one party or branch of government a mandate to rule over the other. We must work together. Rather than renewing the 2001 and 2003 tax cuts for all Americans, President Obama continues to insist on holding tax relief hostage while pressing for more political leverage.

If the president is truly interested in finding a solution that will restore confidence in our economy and promote job growth without naked power grabs, Congressional Republicans are ready to sit down and talk.

New Airbus Supplier Lands in South Alabama:

Five months after Airbus made public its plans to locate a \$600 million assembly plant in Mobile, the first of many anticipated Airbus suppliers is coming to South Alabama.

Last Thursday, SAFRAN Engineering, a division of SAFRAN Group – an international aerospace and defense company headquartered in France – announced its intention to locate at Mobile's Brookley Aeroplex, near the planned Airbus facility. SAFRAN, which currently has facilities in 22 states and also serves Boeing, will employ 50 engineers in Mobile.

From the moment Airbus chose South Alabama for its new assembly plant, state and local officials have been busy recruiting supplier jobs to our region. SAFRAN is the first result of this effort, with more surely yet to come.

My staff and I work for you. If we can ever be of service, do not hesitate to call my office toll free

at 1-800-288-8721.

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